



ORIGINAL



RECEIVED

September 20, 2011


2011 SEP 20 P 4: 54

Arizona Corporation Commission
1200 West Washington
Phoenix, AZ 85007

AZ CORP COMMISSION
DOCKET CONTROL

Arizona Corporation Commission
DOCKETED
SEP 20 2011

RE: Docket NO. E-01933A-10-0266

DOCKETED BY 

Dear Chairman Pierce & Commissioners:

American Solar appreciates the opportunity to once again address the Arizona Corporation Commission (ACC) regarding TUCSON ELECTRIC POWER (TEP) – NOTICE OF SUSPENSION OF ACCEPTANCE OF RESIDENTIAL INCENTIVE APPLICATIONS UNDER 2011 REST PLAN OR, ALTERNATIVELY, REQUEST TO MODIFY 2011 REST PLAN (DOCKET NO. E-01933A-10-0266).

TEP's request to close their residential program was a complete shock to the market. Sales are at a standstill for both the retrofit market and the homebuilder market. American Solar has evaluated the impacts of this filing and asks that the Commission vote for continuity. We support the recommendation of TEP that \$700,000 from the Commercial PBI Program Budget be transferred to the Residential Program Budget.

American Solar also recommends a \$75,000 set aside be included in this transfer and allocated to homebuilders through the remainder of 2011. Homebuilders have a longer project lead-time than residential retrofit customers. As such, they need incentive continuity and program stability through the entire sales and construction cycle in order to meet client expectations. TEP's closure of the 2011 program without consideration to this important market segment justifies the need for the Commission to order such a program for builders in TEP service territory. The existence of such a program in APS service territory and not in TEP service territory is unfair to home buyers that will soon be paying RES surcharges.

American Solar currently works with three homebuilders in TEP service territory in a dozen communities. These homebuilders have customers that were planning to include solar on their homes, which are being built this fall. If you allocate \$75,000 to a "Homebuilder bucket" you will allow these new home buyers the opportunity to deploy solar in a cost-effective manner.

Sincerely,



Sean M. Seitz
President
American Solar